



IN REPLY REFER TO:

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Colorado State Office

2850 Youngfield Street

Lakewood, Colorado 80215-7076

June 26, 1995

NOTICE OF COMPETITIVE LEASE SALE

The Department of the Interior, Bureau of Land Management, Colorado State Office, hereby gives notice that on August 10, 1995, 46 parcels containing 24,518.840 acres of federal lands will be offered for oil and gas lease by competitive oral auction under Departmental regulations 43 CFR Part 3120.

LOCATION: The sale will be held at the:

RAMADA HOTEL DENVER WEST

14707 West Colfax Avenue

(1-70 and Colfax Avenue)

Golden, Colorado

WEATHER: In the event inclement weather forces sale cancellation, a public announcement will be made on the following:

Radio Stations
KOA AM 850

Television Stations
Channel 4 KCNC

TIME: The sale begins at 9 a.m. Bidders are required to register and obtain a bidding number. Registration begins at 8 a.m.

LANDS OFFERED: The lands offered are described herein. Parcels will be offered for oral bid in the order shown in this notice.

RIGHT TO WITHDRAW PARCELS: The Bureau of Land Management reserves the right to withdraw any or all parcels prior to or at the sale. Where necessary, parcels may also be retroactively withdrawn, and monies submitted for such will be refunded. Notice of withdrawal is posted in the Colorado State Office Public Room, 2850 Youngfield Street, Lakewood, Colorado. If the sale is cancelled, every effort will be made to give appropriate notice to all interested parties.

66/95
DO NOT REMOVE
POSTED 6/23/95
REMOVED

FRACTIONAL INTEREST: In some parcels, the United States holds less than 100 percent of the oil and gas rights. A lease issued for such a parcel is for the percentage or fraction indicated. Bonus bid and rental are based on gross acreage; acreage chargeability and royalty are calculated on net U.S. interest.

LEASE TERMS: A lease awarded as a result of this sale has a ten-year primary term and continues for so long as production in paying quantities is had. Royalty, based on value or amount of production removed or sold, is a flat 12 1/2 percent. Other terms are shown on the standard lease (Form 3100-11, June 1988, or later edition). Where applicable, specific surface use stipulations are given in this notice. They become part of the lease and supersede any inconsistent provisions on the lease form.

In addition to specific surface use stipulations, leases may be issued with lease notices attached. Lease notices are given to assist lessees in submitting acceptable plans of operation, but they do not involve new restrictions or requirements. **Lease notices are now shown in Notice of Competitive Lease Sale.** For additional information, contact the appropriate BLM District or Resource Area Office listed for each parcel.

FOREST SERVICE PARCELS: All bidders are hereby notified that stipulations for parcels located within the administrative boundaries of some Forest Service units are described in terms of the appropriate Forest plan. No description of those parts of the parcels affected by any given stipulation is available other than as depicted on Forest maps which are generally taken from the USGS quadrangles. Copies of the original maps may be reviewed in the appropriate District Ranger's Office, the Forest Supervisor's Office, or the Rocky Mountain Regional Forester's Office at 740 Simms St., Lakewood, Colorado (303) 236-9477.

BIDS: The minimum acceptable bonus bid is the lump sum equivalent of \$2 per acre or fraction thereof; e.g., a 644.38 acre parcel requires a minimum bid of \$1,290.00 (\$2 X 645 acres). A winning bid is the highest bid equal to or exceeding the minimum. The auctioneer's decision as to the high bidder and amount is final. A bid cannot be withdrawn and constitutes a legally binding commitment to sign the bid form, accept a lease, and make the required payment. All bids received shall be deemed submitted for an entire parcel.

BIDDERS ARE HEREBY ADVISED: An entity which fails to submit the bonus bid balance on any three (3) parcels (whether at a single sale or different sales totaling three times) shall be prohibited from bidding at any future sales held by the Colorado State Office.

PAYMENT: Payment due the day of the sale consists of: (1) a bonus bid deposit of at least \$2 per acre or fraction thereof; (2) the first year's annual rental of \$1.50 per acre or fraction thereof; and (3) a \$75 administrative fee. Failure to make this minimum payment can result in assessment of civil penalties.

The Colorado State Office must receive any unpaid bonus bid balance by 4 p.m. August 24, 1995, the tenth working day after the sale, or all monies and the right to a lease are forfeited. Payment may be made by personal check, certified check, credit card (Visa or MasterCard), or money order; cash or debit cards cannot be accepted. Make remittances payable to DEPARTMENT OF THE INTERIOR - BLM.

BID FORM: For each parcel, the successful bidder is required to submit a properly signed Form 3000-2 with the required payment on the day of the sale. This form constitutes a legally binding offer to accept a lease and can be signed ONLY by the prospective lessee or an authorized representative. It certifies compliance with 43 CFR 3102, qualifications, and with 18 U.S.C. 1860, which prohibits unlawful combination or intimidation of bidders and certifies the bid was arrived at independently without unlawful collusion. Holographic signature is required by 43 CFR 3102.4.

The form may be signed prior to the sale. Once completed, it cannot be modified. Portions may be left blank and completed by the bidder. If not presigned by an authorized representative, the form must be signed when payment is tendered at the sale.

UNSOLD PARCELS: Parcels for which no bids are received and which are not withdrawn are available for noncompetitive lease offer for a two-year period beginning at 9 a.m. on the first business day after the sale. A drop-box for noncompetitive offers is available until one (1) hour after the sale. All noncompetitive offers received the first business day after the sale and those from the drop-box are considered simultaneously filed. Thereafter, offers receive priority as of the date and time of filing.

A noncompetitive offer must be accompanied by the total of (1) a \$75 nonrefundable filing fee, and (2) the first-year advance rental at \$1.50 per acre or fraction thereof.

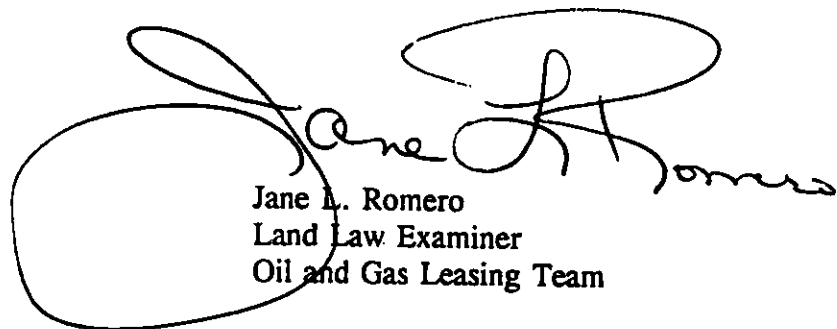
PRESALE NONCOMPETITIVE OFFERS: Presale offers have first priority over noncompetitive offers filed after the sale. Parties are cautioned that any lands in parcels not sold which are subject to a presale noncompetitive offer may not be available to further noncompetitive filings. All else being regular, those lands will be issued to the party who submitted the presale offer. Parcels subject to a presale noncompetitive offer are identified by a notation reading: NCO COC ____.

NOTE: THE SALE SITE IS ACCESSIBLE TO THE HANDICAPPED. IF ASSISTANCE IS NEEDED FOR THE HEARING OR VISUALLY IMPAIRED, PLEASE CONTACT THE COLORADO STATE OFFICE AT (303) 239-3670 BY JULY 9, 1995.

NOTE: ALL PARCELS IN THE GRAND JUNCTION RESOURCE AREA MAY BE AFFECTED BY A STIPULATION FOR SLOPES OF 40 PERCENT OR GREATER STEEPNESS.

NOTE: THE POSTING OF THIS NOTICE SERVES TO WITHDRAW THE LANDS LISTED HEREIN FROM FILINGS UNDER 43 CFR 3110.1(a)(1)(ii).

NOTE: THE NEXT REGULAR COMPETITIVE SALE IS TENTATIVELY SCHEDULED FOR NOVEMBER 9, 1995; TO BE CONSIDERED FOR THAT SALE, EXPRESSIONS OF INTEREST OR PRESALE OFFERS MUST BE RECEIVED BY JULY 15, 1995. WE CAN MAKE NO GUARANTEE, HOWEVER, AS TO WHEN A GIVEN PARCEL WILL BE PUT UP FOR SALE.



Jane L. Romero
Land Law Examiner
Oil and Gas Leasing Team

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PUBLIC NOTICE

Bidders are reminded that a bid shall not be withdrawn and shall constitute a legally binding commitment to execute the lease bid form and accept a lease, including the obligation to pay the bonus bid, first year's rental, and administrative fee. There have been cases in past oral auctions where the minimum deposit due from the high bidder on the day of the auction was not paid, or was paid by a check drawn on a closed account or an account with insufficient funds. The Bureau of Land Management will closely monitor situations of this nature to determine whether further measures should be initiated to protect the integrity of the system.

Errors sometimes occur in the listing, although every effort is made to avoid them. The BLM is not liable for any inconvenience or loss caused by errors which may occur.

SURFACE MANAGEMENT AGENCY DESCRIPTION

The list of parcels offered for competitive sale includes a description of the surface management agency(ies) involved. Where the surface is administered by a federal agency other than BLM, the coordinating BLM District And Resource Area Offices are depicted immediately below. The following abbreviations are used:

	Surface Management Agencies
BLM	Bureau of Land Management
PVT	Private surface
FS	Forest Service surface
BOR	Bureau of Reclamation surface
DOE	Department of Energy surface
NF	National Forest
NG	National Grassland
STCO	State of Colorado
	BLM District Offices
CDO	Craig District Office
CCDO	Canon City District Office
MDO	Montrose District Office
GJDO	Grand Junction District Office
	BLM Resource Area Offices
KRA	Kremmling Resource Area (CDO)
LSRA	Little Snake Resource Area (CDO)
WRRRA	White River Resource Area (CDO)
GJRA	Grand Junction Resource Area (GJDO)
GSRA	Glenwood Springs Resource Area (GJDO)
UBRA	Uncompahgre Basin Resource Area (MDO)
GBRA	Gunnison Basin Resource Area (MDO)
SJRA	San Juan Resource Area (MDO)
*NERA	Northeast Resource Area (CCDO)
SLRA	San Luis Resource Area (CCDO)
RGRA	Royal Gorge Resource Area (CCDO)

*The Northeast Resource Area (NERA) has been merged into the Royal Gorge Resource Area (RGRA) as of December 28, 1991.

Sample Number 1: PVT; BLM; CCDO: NERA

This entry shows the parcel contains both private and BLM surface located in the Canon City District Office in the Northeast Resource Area.

Sample Number 2: FS; Routt NF; CDO: LSRA

This entry shows the parcel is Forest Service land in the Routt National Forest. The coordinating BLM office is the Little Snake Resource Area in the Craig District.

COLORADO STATE OFFICE (CO—)
 2850 Youngfield Street
 Lakewood, CO 80215
 Phone: (303) 239-3600 (303) 239-3600
 TDD: (303) 239-3635
 Fax: (303) 239-3635

GRAND JUNCTION AIR CENTER (941B)
 2774 Landing View Lane
 Grand Junction, CO 81506
 Phone: (970) 245-4988 (970) 244-3160
 Fax: (970) 242-3861

GRAND JUNCTION DISTRICT OFFICE (070)
 2815 H Road
 Grand Junction, CO 81506
 Phone: (970) 244-3000 (970) 244-3000
 TDD: (970) 244-3011
 Fax: (970) 244-3083

GRAND JUNCTION RESOURCE AREA (076)
 2815 H Road
 Grand Junction, CO 81506
 Phone: (970) 244-3000 (970) 244-3000
 TDD: (970) 244-3011
 Fax: (970) 244-3083

GLENWOOD SPRINGS RESOURCE AREA (078)
 50629 Highways 6 & 24 (ZIP 81601)
 P.O. Box 1009
 Glenwood Springs, CO 81602
 Phone: (970) 945-2341 (700) 449-4500
 TDD: (970) 945-5663
 Fax: (970) 945-5312

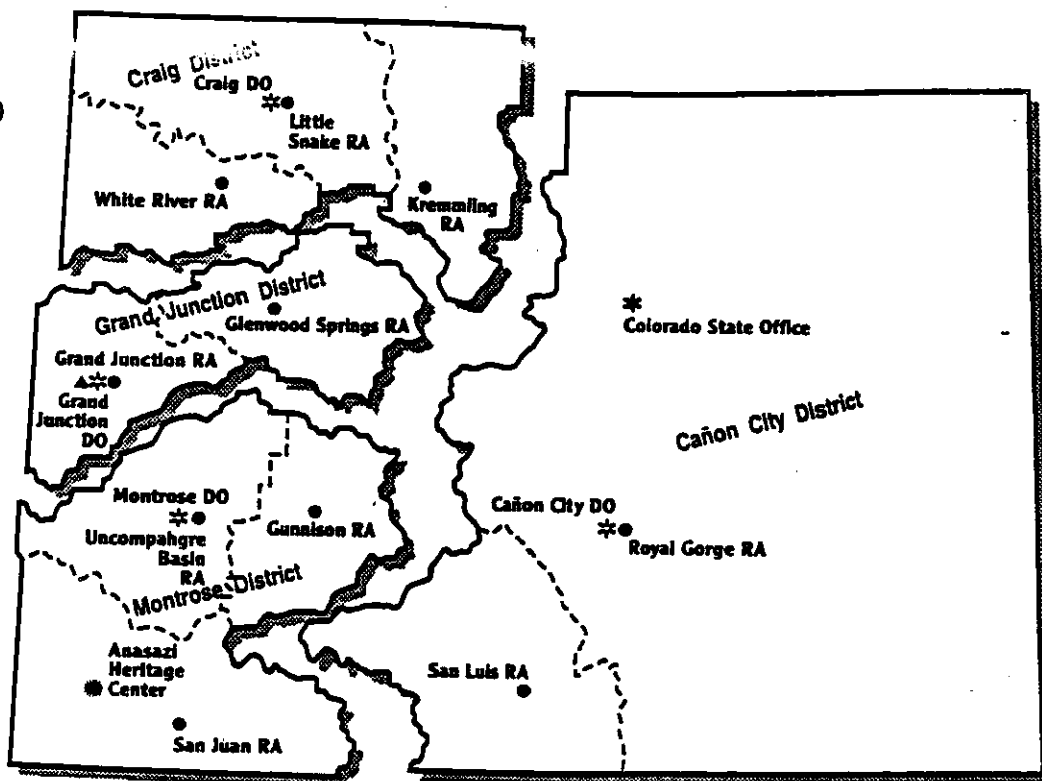
CRAIG DISTRICT OFFICE (010)
 455 Emerson Street
 Craig, CO 81625
 Phone: (970) 824-8261 (700) 323-5011
 TDD: (970) 824-5745
 Fax: (970) 824-7166

KREMMLING RESOURCE AREA (018)
 1116 Park Avenue
 P.O. Box 68
 Kremmling, CO 80459
 Phone: (970) 724-3437 (700) 327-5611
 TDD: (970) 724-9293
 Fax: (970) 724-9590

LITTLE SNAKE RESOURCE AREA (016)
 1280 Industrial Avenue
 Craig, CO 81625
 Phone: (970) 824-4441 (700) 323-5087
 TDD: (970) 824-7507
 Fax: (970) 824-8881

WHITE RIVER RESOURCE AREA (017)
 73544 Highway 64
 P.O. Box 928
 Meeker, CO 81641
 Phone: (970) 878-3601 (700) 386-5501
 TDD: (970) 878-4227
 Fax: (970) 878-5717

INTERNAL USE ONLY



COLORADO BLM OFFICE DIRECTORY

CAÑON CITY DISTRICT OFFICE (050)
 3170 East Main Street
 Cañon City, CO 81212
 Phone: (719) 275-0631 (700) 323-7601
 TDD: (719) 275-4346
 Fax: (719) 275-7819

ROYAL GORGE RESOURCE AREA (057)
 3170 East Main Street
 Cañon City, CO 81212
 Phone: (719) 275-0631 (700) 323-7601
 TDD: (719) 275-4346
 Fax: (719) 275-7819

Arkansas Headwaters Recreation Area
 307 West Sackett
 P.O. Box 126
 Salida, CO 81201
 Phone: (719) 539-7289 (No FTS)
 Fax: (719) 539-3771

SAN LUIS RESOURCE AREA (056)
 1921 State Street
 Alamosa, CO 81101
 Phone: (719) 589-4975 (700) 321-4975
 TDD: (719) 589-6310
 Fax: (719) 589-9152

MONTROSE DISTRICT OFFICE (030)
 2465 South Townsend
 Montrose, CO 81401
 Phone: (970) 249-7791 (700) 322-7300
 TDD: (970) 249-4639
 Fax: (970) 249-4304

ANASAZI HERITAGE CENTER (037)
 27501 Highway 184
 Dolores, CO 81323
 Phone: (970) 882-4811 (700) 386-5100
 TDD: (970) 882-4825
 Fax: (970) 882-7035

GUNNISON RESOURCE AREA (036)
 216 North Colorado
 Gunnison, CO 81230
 Phone: (970) 641-0471 (700) 859-4400
 TDD: (970) 641-6817
 Fax: (970) 641-1928

SAN JUAN RESOURCE AREA (038)
 Federal Building
 701 Camino del Rio
 Durango, CO 81301
 Phone: (970) 247-4082 (700) 329-4000
 TDD: (970) 385-5121
 Fax: (970) 385-4818

UNCOMPAHGRE BASIN RESOURCE AREA (034)
 2505 South Townsend
 Montrose, CO 81401
 Phone: (970) 249-6047 (700) 322-7302
 TDD: (970) 249-4633
 Fax: (970) 249-8484



FTS numbers shown in bold face

2 Apr '95

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

COMPETITIVE OIL AND GAS OR
GEOTHERMAL RESOURCES LEASE BID
30 U.S.C. 181 et seq., 30 U.S.C. 351-359,
30 U.S.C. 1001-1025, 42 U.S.C. 6508

Sample

FORM APPROVED
OMB NO. 1004-0074
Expires: April 30, 1990

State Colorado	Date of sale	
AMOUNT OF BID (See Instructions below)		
TOTAL BID	PAYMENT SUBMITTED WITH BID	
\$Bonus bid X Number of acres (rounded up)	Option 1-Pay Minimum b \$2.00 X Number of acre (rounded up) -OR- Option 2-Pay entire am \$Bonus bid X Number of acres (rounded up)	
NOTE: DO NOT INCLUDE ANY ADMINISTRATIVE FEES.		

THE BID IS FOR (Check one):

☒ Oil and Gas Parcel Number COC

☐ Geothermal Parcel Number _____
Name of Known Geothermal Resource Area (KGRA) _____

The appropriate regulations applicable to this bid are: (1) for oil and gas leases—43 CFR 3120; (2) for National Petroleum Reserve-Alaska (NPR-A) leases—43 CFR 3132; and (3) for Geothermal resources leases—43 CFR 3220. (See details concerning lease qualifications on reverse.)

I CERTIFY THAT I have read and am in compliance with, and not in violation of, the lessee qualification requirements under the applicable regulation for this bid.

I CERTIFY THAT this bid is not in violation of 18 U.S.C. 1860 which prohibits unlawful combination or intimidation of bidders. I further certify that this bid was arrived at independently and is tendered without collusion with any other bidder for the purpose of restricting competition.

IMPORTANT NOTICE: Execution of this form, where the offer is the high bid, constitutes a binding lease offer, including all applicable terms and conditions. Failure to comply with the applicable laws and regulations under which this bid is made shall result in rejection of the bid and forfeiture of all monies submitted.

Print or Type Name of Lessee

Signature of Lessee or Bidder

Address of Lessee

***SIGNATORY RELATIONSHIP REQUIRED

City

State

Zip Code

INSTRUCTIONS FOR OIL AND GAS BID
(Except NPR-A)

INSTRUCTIONS

INSTRUCTIONS FOR GEOTHERMAL OR
NPR-A OIL AND GAS BID

1. Separate bid for each parcel is required. Identify parcel by the parcel number assigned in the *Notice of Competitive Lease Sale*.
2. Bid must be accompanied by the national minimum acceptable bid, the first year's rental and the administrative fee. The remittance must be in the form specified in 43 CFR 3103.1-1. The remainder of the bonus bid, if any, must be submitted to the proper BLM office within 10 working days after the last day of the oral auction. Failure to submit the remainder of the bonus bid within 10 working days will result in rejection of the bid offer and forfeiture of all monies paid.
3. If bidder is not the sole party in interest in the lease for which the bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.
4. This bid may be executed (signed) before the oral auction. If signed before the oral auction, this form cannot be modified without being executed again.
5. In view of the above requirement (4), bidder may wish to leave AMOUNT OF BID section blank so that final bid amount may be either completed by the bidder or the Bureau of Land Management at the oral auction.

1. Separate bid for each parcel is required. Identify parcel by the number assigned to a tract.
2. Bid must be accompanied by one-fifth of the total amount of bid. The remittance must be in the form specified in 43 CFR 3220.4 for a Geothermal Resources bid and 3132.2 for a NPR-A lease bid.
3. Mark envelope Bid for Geothermal Resources Lease in (Name of KGRA) or Bid for NPR-A Lease, as appropriate. Be sure correct parcel number of tract on which bid is submitted and date of bid opening are noted plainly on envelope. No bid may be modified or withdrawn unless such modification or withdrawal is received prior to time fixed for opening of bids.
4. Mail or deliver bid to the proper BLM office or place indicated in the *Notice of Competitive Lease Sale*.
5. If bidder is not the sole party in interest in the lease for which bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on reverse)

QUALIFICATIONS

For leases that may be issued as a result of this sale under the Mineral Leasing Act (The Act) of 1920, as amended, the oral bidder must: (1) Be a citizen of the United States; an association (including partnerships and trusts) of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or Territory thereof; (2) Be in compliance with acreage limitation requirements wherein the bidder's interests, direct and indirect, in oil and gas leases in the State identified do not exceed 246,080 acres each in public domain or acquired lands including acreage covered by this bid, of which not more than 200,000 acres are under options. If this bid is submitted for lands in Alaska, the bidder's holdings in each of the Alaska leasing districts do not exceed 300,000 acres, of which no more than 200,000 acres are under options in each district; (3) Be in compliance with Federal coal lease holdings as provided in sec. 2(a)(2)(A) of the Act; (4) Be in compliance with reclamation requirements for all Federal oil and gas holdings as required by sec. 17 of the Act; (5) Not be in violation of sec. 41 of the Act; and (6) Certify that all parties in interest in this bid are in compliance with 43 CFR Groups 3000 and 3100 and the leasing authorities cited herein.

For leases that may be issued as a result of this sale under the Geothermal Steam Act of 1970, as amended, the bidder must: (1) Be a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or Territory thereof; and (2) Be in compliance with acreage limitation requirements wherein the bidder's interests, direct and indirect, do not exceed 51,200 acres; and (3) Certify that all parties in interest in this bid are in compliance with 43 CFR Group 3200 and the leasing authority cited herein.

For leases that may be issued as a result of this sale under the Department of the Interior Appropriations Act of 1981, the bidder must: (1) Be a citizen or national of the United States; an alien lawfully admitted for permanent residence; a private, public or municipal corporation organized under the laws of the United States or of any State or Territory thereof; an association of such citizens, nationals, resident aliens or private, public or municipal corporations, and (2) Certify that all parties in interest in this bid are in compliance with 43 CFR Part 3130 and the leasing authorities cited herein.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this bid for a Competitive Oil and Gas or Geothermal Resources Lease.

AUTHORITY: 30 U.S.C. 181 et seq.; 30 U.S.C. 351-359; 30 U.S.C. 1001-1025; 42 U.S.C. 6508

PRINCIPLE PURPOSE: The information is to be used to process your bid.

ROUTINE USES: (1) The adjudication of the bidder's right to the resources for which this bid is made. (2) Documentation for public information. (3) Transfer to appropriate Federal agencies when comment or concurrence is required prior to granting a right in public lands resources. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION: Disclosure of the information is voluntary. If all the information is not provided, your bid may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires us to inform you that:

This information is being collected in accordance with 43 CFR 3120, 43 CFR 3130, or 43 CFR 3220.

This information will be used to determine the bidder submitting the highest bid.

Response to this request is required to obtain a benefit.

BURDEN HOURS STATEMENT

Public reporting burden for this form is estimated to average 2 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, (Alternate) Bureau Clearance Officer, (WO-771), 1849 C Street, N.W., Washington, D.C. 20240, and the Office of Management and Budget, Paperwork Reduction Project (1004-0074), Washington, D.C. 20503.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Serial No. _____

OFFER TO LEASE AND LEASE FOR OIL AND GAS

The undersigned (reverse) offers to lease all or any of the lands in Item 2 that are available for lease pursuant to the Mineral Leasing Act of 1920, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (30 U.S.C. 351-359), the Attorney General's Opinion of July 10, 1941 (40 Op. Att. Gen. 411), et al.

READ INSTRUCTIONS BEFORE COMPLETING

Name _____

Street _____

City, State, Zip Code _____

2. This application/offer/lease is for: (Check only One) ☐ PUBLIC DOMAIN LANDS

☐ ACQUIRED LANDS (percent U.S. interest _____)

Surface managing agency if other than BLM: _____ Unit/Project _____

Legal description of land requested: _____ *Parcel No.: _____ *Sale Date (m/d/y): _____ / _____ / _____

*SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.

T. _____ R. _____ Meridian _____ State _____ County _____

AMOUNTS DUE: _____
for filing fee

AMOUNTS DUE: _____
for rental fee

Amount remitted: Filing fee \$ _____

Rental fee \$ _____

Total acres applied for _____

Total \$ _____

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T. _____ R. _____ Meridian _____ State _____ County _____

Total acres in lease _____

Rental retained \$ _____

This lease is issued granting the exclusive right to drill for, mine, extract, remove and dispose of all the oil and gas (except helium) in the lands described in Item 3 together with the right to build and maintain necessary improvements thereupon for the term indicated below, subject to renewal or extension in accordance with the appropriate leasing authority. Rights granted are subject to applicable laws, the terms, conditions, and attached stipulations of this lease, the Secretary of the Interior's regulations and formal orders in effect as of lease issuance, and to regulations and formal orders hereafter promulgated when not inconsistent with lease rights granted or specific provisions of this lease.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of lease:

☐ Noncompetitive lease (ten years)

☐ Competitive lease (five years)

☐ Other _____

THE UNITED STATES OF AMERICA

by _____
(Signing Officer)

(Title)

(Date)

EFFECTIVE DATE OF LEASE _____

(Continued on reverse)

X

of any State or Territory thereof; (2) all parties holding an interest in the offer are in compliance with 43 CFR 3100 and the leasing authorities; (3) offeror's chargeable interests, direct and indirect in either public domain or acquired lands do not exceed 246,080 acres in Federal oil and gas leases in the same State, of which not more than 200,000 acres are held under option, or 300,000 acres in leases and 200,000 acres in options in either leasing District in Alaska; (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located; (5) offeror is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)(2)(A) of the Mineral Leasing Act; (6) offeror is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (7) offeror is not in violation of sec. 41 of the Act.

(b) Undersigned agrees that signature to this offer constitutes acceptance of this lease, including all terms, conditions, and stipulations of which offeror has been given notice, and any amendment or separate lease that may include any land described in this offer must be made at the time this offer was filed but omitted for any reason. This offer cannot be withdrawn, in whole or in part, unless the withdrawal is received by the proper BLM State Office before this lease, an amendment to this lease, or a separate lease, whichever covers the land described in the withdrawal, has been signed on behalf of the United States.

This offer will be rejected and will afford offeror no priority if it is not properly completed and executed in accordance with the regulations, or if it is not accompanied by the required payments. 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Duly executed this _____ day of _____

19

(Signature of Lessee or Attorney-in-fact)

LEASE TERMS

Sec. 1. Rentals—Rentals shall be paid to proper office of lessor in advance of each lease year. Annual rental rates per acre or fraction thereof are:

- (a) Noncompetitive lease, \$1.50 for the first 5 years; thereafter \$2.00;
- (b) Competitive lease, \$1.50; for primary term; thereafter \$2.00;
- (c) Other, see attachment, or

as specified in regulations at the time this lease is issued.

If this lease or a portion thereof is committed to an approved cooperative or unit plan which includes a well capable of producing leased resources, and the plan contains a provision for allocation of production, royalties shall be paid on the production allocated to this lease. However, annual rentals shall continue to be due at the rate specified in (a), (b), or (c) for those lands not within a participating area.

Failure to pay annual rental, if due, on or before the anniversary date of this lease (or next official working day if office is closed) shall automatically terminate this lease by operation of law. Rentals may be waived, reduced, or suspended by the Secretary upon a sufficient showing by lessee.

Sec. 2. Royalties—Royalties shall be paid to proper office of lessor. Royalties shall be computed in accordance with regulations on production removed or sold. Royalty rates are:

- (a) Noncompetitive lease, 12 1/4 %;
- (b) Competitive lease, 12 1/4 %;
- (c) Other, see attachment; or

as specified in regulations at the time this lease is issued.

Lessor reserves the right to specify whether royalty is to be paid in value or in kind, and the right to establish reasonable minimum values on products after giving lessee notice and an opportunity to be heard. When paid in value, royalties shall be due and payable on the last day of the month following the month in which production occurred. When paid in kind, production shall be delivered, unless otherwise agreed to by lessor, in merchantable condition on the premises where produced without cost to lessor. Lessee shall not be required to hold such production in storage beyond the last day of the month following the month in which production occurred, nor shall lessee be held liable for loss or destruction of royalty oil or other products in storage from causes beyond the reasonable control of lessee.

Minimum royalty in lieu of rental of not less than the rental which otherwise would be required for that lease year shall be payable at the end of each lease year beginning on or after a discovery in paying quantities. This minimum royalty may be waived, suspended, or reduced, and the above royalty rates may be reduced, for all or portions of this lease if the Secretary determines that such action is necessary to encourage the greatest ultimate recovery of the leased resources, or is otherwise justified.

An interest charge shall be assessed on late royalty payments or underpayments in accordance with the Federal Oil and Gas Royalty Management Act of 1982 (FOGRMA) (30 U.S.C. 1701). Lessee shall be liable for royalty payments on oil and gas lost or wasted from a lease site when such loss or waste is due to negligence on the part of the operator, or due to the failure to comply with any rule, regulation, order, or citation issued under FOGRMA or the leasing authority.

Sec. 3. Bonds—A bond shall be filed and maintained for lease operations as required under regulations.

Sec. 4. Diligence, rate of development, unitization, and drainage—Lessee shall exercise reasonable diligence in developing and producing, and shall prevent unnecessary damage to, loss of, or waste of leased resources. Lessor reserves right to specify rates of development and production in the public interest and to require lessee to subscribe to a cooperative or unit plan, within 30 days of notice, if deemed necessary for proper development and operation of area, field, or pool embracing these leased lands. Lessee shall drill and produce wells necessary to protect leased lands from drainage or pay compensatory royalty for drainage in amount determined by lessor.

Sec. 5. Documents, evidence, and inspection—Lessee shall file with proper office of lessor, not later than 30 days after effective date thereof, any contract or evidence of other arrangement for sale or disposal of production. At such times and in such form as lessor may prescribe, lessee shall furnish detailed statements showing amounts and quality of all products removed and sold, proceeds therefrom, and amount used for production purposes or unavoidably lost. Lessee may be required to provide plans and schematic diagrams showing development work and improvements, and reports with respect to parties in interest, expenditures, and depreciation costs. In the form prescribed by lessor, lessee shall keep a daily drilling record, a log, information on well surveys and tests, and a record of subsurface investigations and furnish copies to lessor when required. Lessee shall keep open at all reasonable times for inspection by any authorized officer of lessor, the leased premises and all wells, improvements, machinery, and fixtures thereon, and all books, accounts, maps, and records relative to operations, surveys, or investigations on or in the leased lands. Lessee shall maintain copies of all contracts, sales agreements, accounting records, and documentation such as billings, invoices, or similar documentation that supports

costs claimed as manufacturing, preparation, and/or transportation costs. All such records shall be maintained in lessee's accounting offices for future audit by lessor. Lessee shall maintain required records for 6 years after they are generated or, if an audit or investigation is underway, until released of the obligation to maintain such records by lessor.

During existence of this lease, information obtained under this section shall be closed to inspection by the public in accordance with the Freedom of Information Act (5 U.S.C. 552).

Sec. 6. Conduct of operations—Lessee shall conduct operations in a manner that minimizes adverse impacts to the land, air, and water, to cultural, biological, visual, and other resources, and to other land uses or users. Lessee shall take reasonable measures deemed necessary by lessor to accomplish the intent of this section. To the extent consistent with lease rights granted, such measures may include, but are not limited to, modification to siting or design of facilities, timing of operations, and specification of interim and final reclamation measures. Lessor reserves the right to continue existing uses and to authorize future uses upon or in the leased lands, including the approval of easements or rights-of-way. Such uses shall be conditioned so as to prevent unnecessary or unreasonable interference with rights of lessee.

Prior to disturbing the surface of the leased lands, lessee shall contact lessor to be apprised of procedures to be followed and modifications or reclamation measures that may be necessary. Areas to be disturbed may require inventories or special studies to determine the extent of impacts to other resources. Lessee may be required to complete minor inventories or short term special studies under guidelines provided by lessor. If in the conduct of operations, threatened or endangered species, objects of historic or scientific interest, or substantial unanticipated environmental effects are observed, lessee shall immediately contact lessor. Lessee shall cease any operations that would result in the destruction of such species or objects.

Sec. 7. Mining operations—To the extent that impacts from mining operations would be substantially different or greater than those associated with normal drilling operations, lessor reserves the right to deny approval of such operations.

Sec. 8. Extraction of helium—Lessor reserves the option of extracting or having extracted helium from gas production in a manner specified and by means provided by lessor at no expense or loss to lessee or owner of the gas. Lessee shall include in any contract of sale of gas the provisions of this section.

Sec. 9. Damages to property—Lessee shall pay lessor for damage to lessor's improvements, and shall save and hold lessor harmless from all claims for damage or harm to persons or property as a result of lease operations.

Sec. 10. Protection of diverse interests and equal opportunity—Lessee shall: pay when due all taxes legally assessed and levied under laws of the State or the United States; accord all employees complete freedom of purchase; pay all wages at least twice each month in lawful money of the United States; maintain a safe working environment in accordance with standard industry practices, and take measures necessary to protect the health and safety of the public.

Lessor reserves the right to ensure that production is sold at reasonable prices and to prevent monopoly. If lessee operates a pipeline, or owns controlling interest in a pipeline or a company operating a pipeline, which may be operated accessible to oil derived from these leased lands, lessee shall comply with section 28 of the Mineral Leasing Act of 1920.

Lessee shall comply with Executive Order No. 11246 of September 24, 1965, as amended, and regulations and relevant orders of the Secretary of Labor issued pursuant thereto. Neither lessee nor lessee's subcontractors shall maintain segregated facilities.

Sec. 11. Transfer of lease interests and relinquishment of lease—As required by regulations, lessee shall file with lessor any assignment or other transfer of an interest in this lease. Lessee may relinquish this lease or any legal subdivision by filing in the proper office a written relinquishment, which shall be effective as of the date of filing, subject to the continued obligation of the lessee and surety to pay all accrued rentals and royalties.

Sec. 12. Delivery of premises—At such time as all or portions of this lease are returned to lessor, lessee shall place affected wells in condition for suspension or abandonment, reclaim the land as specified by lessor and, within a reasonable period of time, remove equipment and improvements not deemed necessary by lessor for preservation of producible wells.

Sec. 13. Proceedings in case of default—If lessee fails to comply with any provisions of this lease, and the noncompliance continues for 30 days after written notice thereof, this lease shall be subject to cancellation unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement which contains a well capable of production of unitized substances in paying quantities. This provision shall not be construed to prevent the exercise by lessor of any other legal and equitable remedy, including waiver of the default. Any such remedy or waiver shall not prevent later cancellation for the same default occurring at any other time. Lessee shall be subject to applicable provisions and penalties of FOGRMA (30 U.S.C. 1701).

Sec. 14. Heirs and successors-in-interest—Each obligation of this lease shall extend to and be binding upon, and every benefit hereof shall inure to the heirs, executors, administrators, successors, beneficiaries, or assignees of the respective parties hereto.

THE FOLLOWING ACQUIRED LANDS ARE SUBJECT TO FILINGS IN THE MANNER SPECIFIED IN THE APPLICABLE PORTIONS OF THE REGULATIONS IN 43 CFR, SUBPART 3120.

PARCEL COC58340

T. 35 S., R. 44 W., 6th P.M.
Sec. 13: Lots 7, 8;
Sec. 13: NW;
Sec. 14: N2;

U.S. Interest 100%

Baca County
Colorado 523.050 Acres

All lands are subject to Exhibit FS-01.

All or portions of these lands are subject to Exhibit FS-03 from March 1 through June 15 for protection of the prairie chicken.

FS: Comanche NG; CCDO: RGRA

PARCEL COC58341

T. 32 S., R. 48 W., 6th P.M.
Sec. 24: N2;

U.S. Interest 100%

Baca County
Colorado 320.000 Acres

All lands are subject to special abandoned well stipulation (see exhibits).

All lands are subject to Exhibit FS-01.

FS: Comanche NG; CCDO: RGRA

PARCEL COC58342

T. 34 S., R. 49 W., 6th P.M.
Sec. 9: N2S2;

U.S. Interest 100%

Baca County
Colorado 160.000 Acres

All lands are subject to Exhibit FS-01.

All or portions of these lands are subject to Exhibit FS-04 for the protection of canyonland areas.

FS: Comanche NG; CCDO: RGRA

PARCEL COC58343

T. 35 S., R. 49 W., 6th P.M.
Sec. 8: NENE, SESW,
N2SE, SWSE;
Sec. 8: Lot 1;

U.S. Interest 100%

Baca County
Colorado 237.390 Acres

All lands are subject to Exhibit FS-01.

All or portions of these lands are subject to Exhibit FS-04 for the protection of canyonland areas.

FS: Comanche NG; CCDO: RGRA

PARCEL COC58344

NCO COC57139

T. 9 N., R. 56 W., 6th P.M.

Sec. 30: Lot 1;

Sec. 30: NENW;

U.S. Interest 100%

Weld County

Colorado 80.910 Acres

All lands are subject to Exhibit
FS-01.

All or portions of these lands are
subject to lease notice for Colo-
rado Department of Highways R/W.

All or portions of these lands are
subject to Exhibit FS-03 from
April 10 through July 10 to protect
the plover and its nesting habitat.

FS: Pawnee NG; CCDO: RGRA

THE FOLLOWING PUBLIC DOMAIN LANDS ARE SUBJECT TO FILINGS IN THE MANNER SPECIFIED IN THE APPLICABLE PORTIONS OF THE REGULATIONS IN 43 CFR, SUBPART 3120.

PARCEL COC58345

T. 25 S., R. 45 W., 6th P.M.
Sec. 27: NWNW;
Sec. 28: W2NE, NWSE;

Prowers County
Colorado 160.000 Acres

PVT; BLM; CCDO: RGRA

PARCEL COC58346

T. 34 S., R. 47 W., 6th P.M.
Sec. 13: SWSW;

Baca County
Colorado 40.000 Acres

PVT; FS: Comanche NG; CCDO: RGRA

PARCEL COC58347

T. 33 S., R. 48 W., 6th P.M.
Sec. 2: SWNE, SENW;

Baca County
Colorado 80.000 Acres

PVT; FS: Comanche NG; CCDO: RGRA

PARCEL COC58348

T. 35 S., R. 48 W., 6th P.M.
Sec. 6: Lots 3, 8;

Baca County
Colorado 78.950 Acres

PVT; FS: Comanche NG; CCDO: RGRA

PARCEL COC58349

T. 32 S., R. 49 W., 6th P.M.
Sec. 9: Lots 1, 3, 5, 7;

Baca County
Colorado 38.330 Acres

PVT; FS: Comanche NG; CCDO: RGRA

PARCEL COC58350

T. 34 S., R. 49 W., 6th P.M.
Sec. 15: NWNW;

Baca County
Colorado 40.000 Acres

PVT; FS: Comanche NG; CCDO: RGRA

PARCEL COC58351

T. 34 S., R. 49 W., 6th P.M.
Sec. 32: N2, SW, W2SE;

Baca County
Colorado 560.000 Acres

PVT; FS: Comanche NG; CCDO: RGRA

PARCEL COC58352

T. 34 S., R. 49 W., 6th P.M.
Sec. 33: TR46A LOT 2, 11, 19;

Baca County
Colorado 46.690 Acres

PVT; FS: Comanche NG; CCDO: RGRA

PARCEL COC58353

T. 34 S., R. 49 W., 6th P.M.
Sec. 35: Lots 21, 22;

Baca County
Colorado 68.280 Acres

PVT; FS: Comanche NG; CCDO: RGRA

PARCEL COC58354

T. 34 S., R. 49 W., 6th P.M.
Sec. 35: Lots 25, 27, 28;

Baca County
Colorado 98.060 Acres

PVT; FS: Comanche NG; CCDO: RGRA

PARCEL COC58355

T. 35 S., R. 49 W., 6th P.M.
Sec. 1: Lots 7, 9, 11,
13, 15;
Sec. 1: NESW, W2SE;
Sec. 2: Lot 14;
Sec. 12: Lots 2, 3, 5;

Baca County
Colorado 317.970 Acres

PVT; FS: Comanche NG; CCDO: RGRA

PARCEL COC58356

T. 35 S., R. 49 W., 6th P.M.
Sec. 1: SENE;

Baca County
Colorado 40.000 Acres

PVT; FS: Comanche NG; CCDO: RGRA

PARCEL COC58357

T. 35 S., R. 49 W., 6th P.M.
Sec. 2: Lots 1-4, 7,
10, 11;
Sec. 2: SWNW;

Baca County
Colorado 215.500 Acres

PVT; FS: Comanche NG; CCDO: RGRA

PARCEL COC58358

T. 35 S., R. 49 W., 6th P.M.
Sec. 4: W2SW, SESW;
Sec. 4: Lots 1, 2;

Baca County
Colorado 199.870 Acres

All lands are subject to Exhibit
FS-01.

All or portions of these lands are
subject to Exhibit FS-04 for the
protection of canyonland areas.

FS: Comanche NG; CCDO: RGRA

PARCEL COC58359

T. 35 S., R. 49 W., 6th P.M.
Sec. 11: NW, N2SW, NWSE;

Baca County
Colorado 280.000 Acres

PVT; FS: Comanche NG; CCDO: RGRA

PARCEL COC58360

T. 11 S., R. 75 W., 6th P.M.
Sec. 1: Lots 1-4;
Sec. 1: S2N2, S2;

Park County
Colorado 670.400 Acres

PVT; BLM; CCDO: RGRA

PARCEL COC58361

T. 11 S., R. 75 W., 6th P.M.
Sec. 5: Lots 1-4;
Sec. 5: S2N2, N2SW,
SWSW, SESE;
Sec. 6: Lots 1-5;
Sec. 6: S2NE, SENW;
Sec. 8: SE;

Park County
Colorado 944.440 Acres

PVT; BLM; CCDO: RGRA

PARCEL COC58362

T. 11 S., R. 75 W., 6th P.M.
Sec. 13: N2N2, SENE, SWNW,
SWSW, SE;
Sec. 14: N2, N2SW,
SWSW, NESE;

Park County
Colorado 920.000 Acres

PVT; BLM; CCDO: RGRA

PARCEL COC58363

T. 11 S., R. 75 W., 6th P.M.
Sec. 23: E2NE, S2;
Sec. 24: ALL;

Park County
Colorado 1040.000 Acres

PVT; BLM; CCDO: RGRA

PARCEL COC58364

T. 11 S., R. 75 W., 6th P.M.
Sec. 25: NW, S2;

Park County
Colorado 480.000 Acres

PVT; BLM; CCDO: RGRA

PARCEL COC58365

T. 11 S., R. 75 W., 6th P.M.
Sec. 31: W2NE;

Park County
Colorado 80.000 Acres

All lands are subject to Exhibit C
from May 1 through July 31 to
protect riparian habitat.

All lands are subject to Exhibit C
from December 1 through March 31 to
protect bald eagle wintering
habitat.

BLM; CCDO: RGRA

PARCEL COC58366

T. 15 S., R. 91 W., 6th P.M.
Sec. 19: Lots 3, 4;
Sec. 19: E2SW, SE;
Sec. 29: W2NW;
Sec. 30: NE, E2NW, SESW;
Sec. 30: Lots 1, 2;
Sec. 31: NWNE;

Delta County
Colorado 803.360 Acres

The following lands are subject to
Exhibit C from through to protect
crucial deer and elk winter ranges:

T. 15 S., R. 91 W., 6th P.M.
Sec. 19: SESW, S2SE;
Sec. 29: W2NW;
Sec. 30: NE, E2NW, SESW;
Sec. 30: Lots 1, 2;
Sec. 31: NWNE;

BLM; MDO: UBRA

PARCEL COC58367

NCO COC57745

T. 9 S., R. 101 W., 6th P.M.
Sec. 2: Lots 1, 2;
Sec. 2: S2NE, S2;
Sec. 11: N2, S2S2, NESE;
Sec. 12: N2, N2S2, SWSE;
Sec. 13: N2;

Mesa County
Colorado 1839.960 Acres

The following lands are subject to
Exhibit D-2 to protect scenic and
natural values on the Bookcliffs:

T. 9 S., R. 101 W., 6th P.M.
Sec. 2: Lots 1, 2;
Sec. 2: S2NE;

The following lands are subject to
Exhibit D-2 to protect recreation
resources on Hunter/Garvey Benches:

T. 9 S., R. 101 W., 6th P.M.
Sec. 2: Lots 1, 2;
Sec. 2: S2NE;

PVT; BLM; GJDO: GJRA

PARCEL COC58368

T. 9 S., R. 101 W., 6th P.M.
Sec. 12: S2SW;

Mesa County
Colorado 80.000 Acres

PVT; BLM; GJDO: GJRA

PARCEL COC58369

T. 7 N., R. 81 W., 6th P.M.
Sec. 25: S2SW;
Sec. 26: SENW, E2SW, S2SE;

Jackson County
Colorado 280.000 Acres

All or part of the lands are subject
to Exhibit CO-30.

PVT; BLM; CDO: KRA

PARCEL COC58370

T. 9 N., R. 90 W., 6th P.M.
Sec. 4: Lots 5-12, 14-19;
Sec. 5: Lots 5, 6, 11-14,
19, 20;

Moffat County
Colorado 855.110 Acres

The following lands are subject to
Exhibit CO-09 to protect big game
winter habitat:

T. 9 N., R. 90 W., 6th P.M.
Sec. 5: Lots 6, 11, 14, 19;

PVT; BLM; CDO: LSRA

PARCEL COC58371

T. 9 N., R. 90 W., 6th P.M.
Sec. 6: Lots 9-14, 16-23;
Sec. 8: Lots 1-11, 15;
Sec. 9: Lots 1-16;

Moffat County
Colorado 1615.990 Acres

The following lands are subject to
Exhibit CO-09 to protect big game
winter habitat:

T. 9 N., R. 90 W., 6th P.M.
Sec. 6: Lots 9-14, 16-23;
Sec. 8: Lots 1-11;
Sec. 9: Lot 13;

All or part of the lands are subject
to Exhibit LS-12.

PVT; BLM; CDO: LSRA

PARCEL COC58372

T. 5 N., R. 96 W., 6th P.M.
Sec. 14: E2SE;

Moffat County
Colorado 80.000 Acres

All or part of the lands are subject
to Exhibit CO-29.

All or part of the lands are subject
to Exhibit LS-12.

BLM; CDO: LSRA

PARCEL COC58373

T. 3 N., R. 100 W., 6th P.M.

- Sec. 1: Lots 5-8;
- Sec. 1: S2N2, S2;
- Sec. 11: E2;
- Sec. 12: W2NW;
- Sec. 13: S2;
- Sec. 14: E2;

Moffat County
Colorado

1680.200 Acres

The following lands are subject to Exhibit C from March 1 through July 15 to protect critical raptor nest buffer zones:

T. 3 N., R. 100 W., 6th P.M.

- Sec. 1: Lots 7, 8;
- Sec. 1: SWNW, SWSW;
- Sec. 12: W2NW;
- Sec. 14: W2NE, SENE;

The following lands are subject to Exhibit C-1 to protect critical raptor habitat:

T. 3 N., R. 100 W., 6th P.M.

- Sec. 11: NENE;
- Sec. 14: NENE;

BLM; CDO: WRRRA

PARCEL COC58374

T. 12 N., R. 101 W., 6th P.M.

- Sec. 16: Lots 1-4, 13;
- Sec. 20: SWNE, NW,
W2SW, S2SE;
- Sec. 20: Lots 2, 3;
- Sec. 21: Lots 1, 10, 14,
16, 18;
- Sec. 21: S2S2;

Moffat County
Colorado

753.060 Acres

The following lands are subject to Exhibit CO-03 to protect raptor nests:

T. 12 N., R. 101 W., 6th P.M.

- Sec. 16: Lot 2;

The following lands are subject to Exhibit CO-19 to protect ferruginous hawk nesting and fledgling habitat:

T. 12 N., R. 101 W., 6th P.M.

- Sec. 16: Lots 1-3;

The following lands are subject to Exhibit CO-26 to protect fragile soils:

T. 12 N., R. 101 W., 6th P.M.

- Sec. 16: Lots 1-4;
- Sec. 20: Lot 2;

All or part of the lands are subject to Exhibit LS-13.

PVT; BLM; CDO: LSRA

PARCEL COC58375

T. 12 N., R. 101 W., 6th P.M.
Sec. 23: N2NE, NWNW, SENW;
Sec. 27: NE, NENW, S2NW;
Sec. 28: NW, N2SW, SWSW, SE;

Moffat County
Colorado 880.000 Acres

The following lands are subject to
Exhibit CO-03 to protect raptor
nests:

T. 12 N., R. 101 W., 6th P.M.
Sec. 23: NENE;
Sec. 28: SWSE;

The following lands are subject to
Exhibit CO-19 to protect ferruginous
hawk nesting and fledgling habitat:

T. 12 N., R. 101 W., 6th P.M.
Sec. 28: SWSW, SWSE;

The following lands are subject to
Exhibit CO-26 to protect fragile
soils:

T. 12 N., R. 101 W., 6th P.M.
Sec. 23: SENW;
Sec. 27: N2NE;

All or part of the lands are subject
to Exhibit LS-13.

BLM; CDO: LSRA

PARCEL COC58376

T. 1 N., R. 103 W., 6th P.M.
Sec. 32: N2S2;
Sec. 32: Lots 1-4;

Rio Blanco County
Colorado 285.270 Acres

BLM; CDO: WRRRA

PARCEL COC58377

NCO COC57798

T. 34 N., R. 12 W., NMPM
Sec. 3: Lots 2, 4;
Sec. 3: SWNE, SESW, SE;

T. 35 N., R. 12 W., NMPM
Sec. 22: N2, SW, W2SE;
Sec. 23: N2N2, SESE;
Sec. 24: Lot 1;
Sec. 24: NESW, NWSE;
Sec. 25: Lots 3-6;
Sec. 25: S2SW, W2SE;
Sec. 26: N2NE;
Sec. 27: SESW, W2SE;
Sec. 34: W2NE, E2NW, SESE;
Sec. 35: E2, S2NW, NESW, S2SW;

La Plata County
Montezuma County
Colorado 2359.810 Acres

The following lands are subject to
Exhibit CO-27 to protect steep
slopes:

T. 35 N., R. 12 W., NMPM
Sec. 25: S2SW, W2SE;
Sec. 34: W2NE, E2NW;
Sec. 35: SENE, N2SE, SESE;

PVT; BLM; MDO: SJRA

PARCEL COC58378

T. 35 N., R. 16 W., NMPM
Sec. 6: Lots LOT 1-3, 5, 6;
Sec. 6: S2NE, SENW, E2SW, NESE;

Montezuma County
Colorado 432.490 Acres

The following lands are subject to
Exhibit CO-27 to protect steep
slopes:

T. 35 N., R. 16 W., NMPM
Sec. 6: Lots 2, 3, 5, 6;

PVT; BLM; MDO: SJRA

PARCEL COC58379

T. 35 N., R. 17 W., NMPM
Sec. 1: SW, S2SE;
Sec. 12: N2, N2S2, SESW;

Montezuma County
Colorado 760.000 Acres

PVT; BLM; MDO: SJRA

PARCEL COC58380

T. 36 N., R. 17 W., NMPM
Sec. 36: W2;

Montezuma County
Colorado 320.000 Acres

BLM; MDO: SJRA

PARCEL COC58381

T. 35 N., R. 19 W., NMPM
Sec. 4: S2NW, SW;
Sec. 5: S2NE, SE;
Sec. 8: NE;
Sec. 9: NW;
Sec. 16: NE;

Montezuma County
Colorado 960.000 Acres

The following lands are subject to
Exhibit C-1 to protect scenic,
natural, and cultural values and
resources:

T. 35 N., R. 19 W., NMPM
Sec. 5: SWSE;
Sec. 8: NWNE, S2NE;
Sec. 16: NWNE, S2NE;

BLM; MDO: SJRA

PARCEL COC58382

T. 35 N., R. 19 W., NMPM
Sec. 5: S2SW;
Sec. 6: SESW; S2S2;
Sec. 6: Lot 7;
Sec. 8: W2, SE;
Sec. 9: SW;
Sec. 18: NENE;

Montezuma County
Colorado 922.500 Acres

The following lands are subject to
Exhibit C-1 to protect scenic,
natural, and cultural values and
resources:

T. 35 N., R. 19 W., NMPM
Sec. 5: S2SW;
Sec. 8: NW, E2SW, SE;
Sec. 9: SW;

BLM; MDO: SJRA

PARCEL COC58383

T. 35 N., R. 19 W., NMPM
Sec. 5: Lots 3, 4;
Sec. 5: S2NW, N2SW;
Sec. 6: Lots 1-6;
Sec. 6: S2NE, SENW,
NESW, N2SE;

Montezuma County
Colorado 728.770 Acres

The following lands are subject to
Exhibit C-1 to protect scenic,
natural, and cultural values and
resources:

T. 35 N., R. 19 W., NMPM
Sec. 5: Lots 3, 4;
Sec. 5: S2NW, N2SW;
Sec. 6: Lots 1-3;
Sec. 6: SENE, NESW, N2SE;

BLM; MDO: SJRA

PARCEL COC58384

T. 35 N., R. 19 W., NMPM
Sec. 18: Lots 1-4;
Sec. 18: S2NE, SENW,
E2SW, SE;

Montezuma County
Colorado 522.480 Acres

BLM; MDO: SJRA

PARCEL COC58385

T. 35 N., R. 20 W., NMPM
Sec. 36: ALL;

Montezuma County
Colorado 640.000 Acres

PVT; BLM; MDO: SJRA

EXHIBIT C

Lease Number:

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

On the lands described below:

For the purpose of (reasons):

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

EXHIBIT C-1

Lease Number:

NO SURFACE OCCUPANCY STIPULATION

No surface occupancy or use is allowed on the lands described below (legal description or other description):

For the purpose of:

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

Lease Number:

NO SURFACE OCCUPANCY STIPULATION

No surface occupancy or use is allowed on the lands described below (legal description or other description):

For the purpose of:

To protect raptor nests within a one-eighth mile radius from the site.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

Exception Criteria:

An exception may be granted depending on current usage, or on the geographical relationship to topographic barriers and vegetation screening.

Lease Number:

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

December 1 through April 30

On the lands described below:

For the purpose of (reasons):

To protect big game (mule deer, elk, pronghorn antelope, and bighorn sheep) winter range, including crucial winter habitat and other definable winter range as mapped by the Colorado Division of Wildlife. This may apply to sundry notice that require an environmental analysis.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

Exception Criteria:

An exception may be granted under mild winter conditions for the last 60 days of the closure.

Lease Number:

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

February 1 through August 15

On the lands described below:

For the purpose of (reasons):

To protect ferruginous hawk nesting and fledgling habitat during usage for a one-quarter mile buffer around the nest.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of the stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

Exception Criteria:

Exceptions may be granted during years when a nest site is unoccupied, when occupancy ends by or after May 15, or once the young have fledged and dispersed from the nest.

Lease Number:

CONTROLLED SURFACE USE STIPULATION

Surface occupancy or use is subject to the following special operating constraints.

On the lands described below:

For the purpose of:

Protecting fragile soils. Prior to surface disturbance of fragile soils, it must be demonstrated to the Authorized Officer through a plan of development that the following performance objectives will be met.

Performance Objectives:

- I. Maintain the soil productivity of the site.
- II. Protect off-site areas by preventing accelerated soil erosion (such as land-sliding, gullyng, rilling, piping, etc.) from occurring.
- III. Protect water quality and quantity of adjacent surface and groundwater sources.
- IV. Select the best possible site for development in order to prevent impacts to the soil and water resources.

Fragile soil areas, in which the performance objective will be enforced, are defined as follows:

- a. Areas rated as highly or severely erodible by wind or water, as described by the Soil Conservation Service in the Area Soil Survey Report or as described by on-site inspection.
- b. Areas with slopes greater than or equal to 35 percent, if they also have one of the following soil characteristics: (1) a surface texture that is sand, loamy sand, very fine sandy loam, fine sandy loam, silty clay or clay; (2) a depth to bedrock that is less than 20 inches; (3) an erosion condition that is rated as poor; or (4) a K factor of greater than 0.32.

Performance Standards:

- I. All sediments generated from the surface-disturbing activity will be retained on site.
- II. Vehicle use would be limited to existing roads and trails.

III. All new permanent roads would be built to meet primary road standards (BLM standards) and their location approved by the Authorized Officer. For oil and gas purposes, permanent roads are those used for production.

IV. All geophysical and geochemical exploration would be conducted by helicopter, horseback, on foot, or from existing roads.

V. Any sediment control structures, reserve pits, or disposal pits would be designed to contain a 100-year, 6-hour storm event. Storage volumes within these structures would have a design life of 25 years.

VI. Before reserve pits and production pits would be reclaimed, all residue would be removed and trucked off-site to an approved disposal site.

VII. Reclamation of disturbed surfaces would be initiated before November 1 each year.

VIII. All reclamation plans would be approved by the Authorized Officer in advance and might require an increase in the bond.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

Lease Number:

CONTROLLED SURFACE USE STIPULATION

Surface occupancy or use is subject to the following special operating constraints.

On the lands described below:

For the purpose of:

Protecting soils on surfaces greater than 40 percent slope. Prior to surface disturbance of steep (greater than 40 percent) an engineering/reclamation plan must be approved by the Authorized Officer. Such plans must demonstrate how the following will be accomplished:

- a. Site productivity will be restored.
- b. Surface runoff will be adequately controlled.
- c. Off-site areas will be protected from accelerated erosion such as drilling, gullyng, piping, and mass wasting.
- d. Surface-disturbing activities will not be conducted during extended wet periods.
- e. Construction will not be allowed when soils are frozen.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

EXHIBIT CO-29

Lease Number:

LEASE NOTICE

An inventory of fossil resources in Class I and II paleontological areas must be performed by an accredited paleontologist approved by the Authorized Officer.

EXHIBIT CO-30

Lease Number:

LEASE NOTICE

The lessee is hereby notified of potential closure period (March 1 through June 30) and special mitigation to protect nesting sage grouse from surface disturbing activities. Sage grouse nesting habitat is described as sagebrush stands with plants between 30 and 100 centimeters in height and 15-40 percent mean canopy cover.

Lease Number:

SCENIC AND NATURAL VALUES STIPULATION

Special design and reclamation measures may be required to protect the outstanding scenic and natural landscape value of the following portion(s) of this lease:

For the protection of:

Special design and reclamation measures may include transplanting trees and shrubs, fertilization, mulching, special erosion control structures, irrigation, site recontouring to match the original contour, buried tanks and low profile equipment, and painting to minimize visual contrasts. Surface disturbing activities may be denied in sensitive areas, such as unique geologic features and rock formations, visually prominent areas, and high recreation use areas.

This stipulation may be waived or reduced in scope if circumstances change or if the lessee can demonstrate that operations can be conducted without causing unacceptable impacts on the concerns(s) identified.

EXHIBIT LS-12

Lease Number:

LEASE NOTICE

Surface use may be prohibited during portions of the lambing season. Closure will be determined on a case-by-case basis, but will generally be for six weeks within the season (typically between April 10 and June 30).

EXHIBIT LS-13

Lease Number:

LEASE NOTICE

No surface-disturbing activities will be allowed that may significantly alter the prairie dog complex, making it unsuitable for reintroduction of the blackfooted ferret.

**ABANDONED WELL STIPULATION
PARCEL COC58341**

This parcel contains two (2) unplugged abandoned oil and gas well bores. The lessee shall assume responsibility for the proper plugging and abandonment of these well bores and for the complete rehabilitation and reclamation of the sites.

Within one year of the effective date of the lease, the lessee/operator shall submit a plan of operations that specifies the actions and timeframes to accomplish the stated objective or to utilize the well bores for new operations. Completion of work and final disposition of the wells must occur no later than two (2) years following submittal of the plan. The final disposition of the wells shall be definitively determined as producible, service, temporarily abandoned, or plugged and abandoned.

Prior to lease issuance, the potential lessee must provide adequate bond coverage. See Departmental regulations 43 CFR 3104. It has been determined that a single lease bond of \$10,000 specifically conditioned to assume all liability for the preexisting wells is adequate. A statewide or nationwide bond so conditioned may be substituted for the single lease bond. Additional information about the well bores can be obtained from the supervising offices of the Forest Service or from the Canon City District Office, Bureau of Land Management.

STIPULATION FOR LANDS OF THE NATIONAL FOREST SYSTEM
UNDER JURISDICTION OF
DEPARTMENT OF AGRICULTURE

The permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 36, Chapter II, of the Code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights granted by the Secretary of Interior in the permit. The Secretary of Agriculture's rules and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of an exploration plan by the Secretary of the Interior, (2) uses of all existing improvements, such as forest development roads, within and outside the area permitted by the Secretary of the Interior, and (3) use and occupancy of the NFS not authorized by an exploration plan approved by the Secretary of the Interior.

All matters related to this stipulation are to be addressed

to: District Ranger

at: Address

Telephone: Telephone

who is the authorized representative of the Secretary of Agriculture.

NOTICE

CULTURAL AND PALEONTOLOGICAL RESOURCES - The FS is responsible for assuring that the leased lands are examined to determine if cultural resources are present and to specify mitigation measures. Prior to undertaking any surface-disturbing activities on the lands covered by this lease, the lessee or operator, unless notified to the contrary by the FS, shall:

1. Contact the FS to determine if a site specific cultural resource inventory is required. If a survey is required, then:
2. Engage the services of a cultural resource specialist acceptable to the FS to conduct a cultural resource inventory of the area of proposed surface disturbance. The operator may elect to inventory an area larger than the area of proposed disturbance to cover possible site relocation which may result from environmental or other considerations. An acceptable inventory

report is to be submitted to the FS for review and approval at the time a surface disturbing plan of operation is submitted.

3. Implement mitigation measures required by the FS and BLM to preserve or avoid destruction of cultural resource values. Mitigation may include relocation of proposed facilities, testing, salvage, and recordation or other protective measures. All costs of the inventory and mitigation will be borne by the lessee or operator, and all data and materials salvaged will remain under the jurisdiction of the U.S. Government as appropriate.

The lessee or operator shall immediately bring to the attention of the FS and BLM any cultural or paleontological resources or any other objects of scientific interest discovered as a result of surface operations under this lease, and shall leave such discoveries intact until directed to proceed by FS and BLM.

ENDANGERED OR THREATENED SPECIES - The FS is responsible for assuring that the leased land is examined prior to undertaking any surface-disturbing activities to determine effects upon any plant or animal species listed or proposed for listing as endangered or threatened, or their habitats. The findings of this examination may result in some restrictions to the operator's plans or even disallow use and occupancy that would be in violation of the Endangered Species Act of 1973 by detrimentally affecting endangered or threatened species or their habitats.

The lessee/operator may, unless notified by the FS that the examination is not necessary, conduct the examination on the leased lands at his discretion and cost. This examination must be done by or under the supervision of a qualified resource specialist approved by the FS. An acceptable report must be provided to the FS identifying the anticipated effects of a proposed action on endangered or threatened species or their habitats.

Serial No. _____

NO SURFACE OCCUPANCY STIPULATION

No surface occupancy or use is allowed on the lands described below (legal subdivision or other description).

For the purpose of:

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

TIMING LIMITATION STIPULATION

No surface use is allowed during the following time period(s). This stipulation does not apply to operation and maintenance of production facilities.

On the lands described below:

For the purpose of (reasons):

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

CONTROLLED SURFACE USE STIPULATION

Surface occupancy or use is subject to the following special operating constraints.

On the lands described below:

For the purpose of:

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)